

From: "Deb Lawley" <deblawley@msn.com> on 10/02/2007 12:20:03 PM

Subject: Truth in Lending

If you actually want to do something about egregious credit card practices:

1) Credit card companies should not be allowed to hold payments for several days, until the late fee is due. Direct Merchants Bank is notorious for that. They should be required to post the payment immediately when received. They can cash the check that fast, or debit your checking account, so they should also be able to post the payment.

2) Credit card companies should not be allowed to add charges to customer's bill at the last minute, such as "late fees", or extras like credit insurance and then charge overlimit fees on them.

3) Credit card companies should not be allowed to raise your interest rate just in time for you to be over your credit limit so that they can charge you an overlimit fee.

4) If a consumer disputes an add-on such as unsolicited credit insurance, the credit card company should not only stop charging, but should refund all the charges disputed and any associated fees and interest, and interest on those fees. I once had a bank solicit me over the phone for a product that I declined. They added it anyway, which put my account over the limit so they charged me \$30.00 for being over the limit. When I called to get it fixed their customer service department told me that they couldn't do it and I would have to call a different department. That department said they would remove, but didn't, so not only did the original charge of \$45, along with the overlimit fee, and interest charges (now raised to \$29.95% because of the overlimit fee) but they added yet another \$45.00 for the next month, and another overlimit fee. It took me 3 months to get the \$45.00 charges removed. But they would never remove the overlimit fees, reduce the interest rate, or refund the interest charged on the erroneous charges.

5) If a credit card company customer representative makes payment arrangements over the phone the company should be required to honor that commitment.

6) Fees such as late fees, overlimit fees, and interest hikes should be reasonable and capped.

7) Credit card companies should not be allowed to change an existing customer's interest rates or fees based on the customer's other credit accounts, current credit score, or anything not having to do directly with the company's own card.

8) Credit card companies should not be allowed to sell debts that have already been dismissed in court to collection agencies or other banks. Direct Merchants Bank, again, by the way.

9) Credit card companies should not be allowed to prey on the very young, the elderly, or the sick. After my father died, 3 different credit card companies gave my mother over \$10,000 credit each when they knew she was living on social security. She ended up stealing from her relatives and selling off heirlooms to pay the interest and fees, alone. In the end, I'm convinced that the stress of that is what led to her fatal heart attack.

10) Credit card companies should be required to accept responsibility for their mistakes and fix credit reports that they ruin with those errors.

11) Credit card customers should be able to speak with a representative who can actually understand and be understood in the caller's own language. And who can actually resolve a problem.

12) Credit card companies should not be allowed to report accounts that have been dismissed in court as a bad debt to credit reporting agencies.

13) Collection agencies should not be allowed to report disputed accounts to credit agencies until the dispute is researched.

- 14) Credit card companies and hospitals, should not be allowed to give disputed accounts to collection agencies until the dispute is resolved.
- 15) Credit card companies should be required to actually research and resolve disputes in good faith. Not just tell it's customers they have to handle it themselves and only have 20 days to do it.

Penalties on credit card companies for failures to follow the rules should be sufficient to deter these kinds of things. A \$10,000 fine for an unethical or illegal practice that earns a company \$10,000,000 is not a deterrent. Any other thieves go to jail but not this bunch. So jail time for the CEO and directors who approve such practices would go a long way to discouraging them.

Debra L. Lawley

Franklin, NC 28734